

INTERMOUNTAIN POWER SERVICE CORPORATION

November 5, 2003

Mr. Rick Sprott, Director Utah Division of Air Quality Utah Department of Environmental Quality P.O. Box 144820 Salt Lake City, UT 84114-4820

Attention: Nando Meli, NSR Engineer

Dear Mr. Sprott:

NOTICE OF INTENT: Experimental Demonstration Project for Over Fire Air

Intermountain Power Service Corporation (IPSC) is submitting this notice of intent (NOI) for an experimental approval order to continue a demonstration project on overfire air (OFA) at the Intermountain Generating Station (IGS) in Delta, Utah. The IGS is a coal-fired steam-electric generating plant located in Millard County.

PROJECT DESCRIPTION

IPSC installed a multiport overfire air (OFA) system used to control NO_x generation from coal combustion. IPSC was granted approval for installation and testing of the OFA system pursuant to an experimental approval order, #DAQE-AN0327012A-03.

PROJECT PURPOSE

IPSC installed OFA to demonstrate the effectiveness of overfire in NO_x control, as well as data collection. Data collected is being utilized to assess the permit conditions for continuous operation of the OFA system, as well as setting parameters for good combustion practice. Further, the OFA system is being tested in a variety of operating scenarios and fuel mixes. IPSC has filed a report with the Division of Air Quality containing data sufficient to establish permit conditions under a permanent approval order.

IPSC feels that continued operation of the OFA system is necessary to determine what long term anomalies may occur from day-to-day OFA operation. Fluctuations in fuel quality are of particular interest to us. We believe the relationship established between boiler O2 levels and CO emissions will not change, so we do not intend to perform any further testing in that regard.

REQUESTED PERMIT CONDITIONS

Since the testing period allowed by DAQE-AN0327012A-03 will expire soon, IPSC is requesting approval to continue to operate the OFA for an additional 180 days, which is a period long enough to allow further fine tuning of the OFA system.

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IPSC will operate the OFA in conformity with the operating conditions of DAQE-AN0327012A-03. We do not believe emissions will exceed those originally specified in the NOI for DAQE-AN0327012A-03; therefore, testing conditions will not be necessary. IPSC will operate the OFA system in compliance with the current Title V Operating Permit conditions for IGS.

ENVIRONMENTAL IMPACT

Reductions in overall NO_X emissions may occur during the additional period of OFA operation requested in this letter. We cannot project the actual NO_X reductions, since the OFA system will be operated to keep CO emissions below current permit levels; however we believe the reductions may be significant for certain coal supplies when compared to combustion without OFA. There may also be times within the additional period requested in this letter in which we will elect not to operate OFA. In those circumstances, NO_X emissions will not exceed the limits specified in the Title V Operating Permit for IGS.

We should also note that the continued use of OFA may result in higher ash sales, thus causing less ash to be landfilled. Therefore, we believe there is an environmental benefit when OFA is utilized.

If you have any questions, please contact Dennis Killian of my staff at 435-864-4414, or by e-mail at dennis-k@ipsc.com.

Cordially,

George W. Cross

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President, Chief Operations Officer, and Title V Responsible Official

BP/RJC:jmg

CC:

Blaine Ipson, IPSC James Holtkamp, LLG&M Eric Tharp, LADWP